

2010 National Summit on a People-Centred Economy

Issue Paper #6: Towards a Global People-Centred Economy

International Committee, Canadian CED Network

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Recommendations endorsed at the Summit

Background

From May 30 to June 1, 2010, the National Summit on a People-Centred Economy is an unprecedented gathering of leaders and representatives of the community economic development, cooperative and social economy sectors to build a common agenda and mobilize action for a secure, sustainable economy that puts people and the planet first. The Summit seeks to mobilize networks and organizations by building on the best research, agreeing on a common action plan, and increasing awareness of this sector among politicians, policy makers, non-governmental sector leaders and the mainstream media.

As part of the preparatory process for the Summit, six issue papers were drafted on themes which outline the key strengths, challenges and proposals for action to further reinforce this movement. These issue papers were subject to an engagement and outreach process for feedback and revisions by Summit participants and other stakeholders between March 1 and May 15. The revised papers are being presented at the Summit, where a common declaration and action plan will be developed.

To view the latest versions of the other papers and for more information on the Summit, visit: <http://www.ccednet-rcdec.ca/en/summit>

Towards a Global People-Centred Economy: Summary

Today, globalization increasingly affects local economies. Decisions by large international bodies like the World Trade Organization, and decisions within transnational corporations, affect every country and community on the planet. In the face of major current issues such as climate change, food insecurity and the global economic and financial downturn, the impetus and new initiatives to build a people-centred economy have increased around the world in recent years. Whether at the local, regional, national or international level, the movement to focus on people's needs, rather than the profit motive, has spread. In particular, initiatives are focused on the elimination of poverty, because, whether here in Canada or in developing countries, improving the situation of the very poor has a positive effect on societal well-being as a whole.

To move forward in building a people-centred economy around the planet, it is vital to increase the sharing of knowledge and experience, particularly in regard to economic activity and public policy.

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1. Current State of the Field

International Co-operation and Development

For over half a century, many Canadian organizations—usually with support from the Government of Canada (mainly through the Canadian International Development Agency, CIDA)—have been active in supporting emergency relief, community development, human rights and social movement efforts in developing (also referred to as the global South) countries. Canadians have been willing and generous supporters of aid and development, particularly in response to natural disasters such as the 2004 tsunami or the earthquake in Haiti on January 12, 2010.

In general, this support and involvement has been well received by the developing countries, and by Canadians who have regarded development work as part of Canada's role as a world leader in peacekeeping. Canada was the country behind the proposal to set up peacekeeping operations at the UN, an initiative that earned Prime Minister Lester B. Pearson a Nobel Prize in 1957. Canada's reputation as a ideologically neutral and therefore less colonial and imperialist power has supported and often facilitated the efforts of NGOs and Canadians working in the field to work in true partnership with developing countries (the South).

Canada has led the way internationally with respect to development assistance. It was a 1969 UN commission headed by Prime Minister Pearson that set the target of the equivalent of 0.7% of GNP for official development assistance from the developed countries to the developing nations. This commitment has been renewed repeatedly by the major donor countries, most recently at the 2002 Monterrey Summit. However, despite this commitment, in 2008, Canada was contributing only the equivalent of 0.32% of its GNP in development assistance.

During the past half century, individual Canadians, and usually the Government of Canada, have shown solidarity in the fight for democracy and justice—be it in ending dictatorships in Haiti or Chile, combating apartheid or asserting the rights of the Palestinian people. Similarly, Canada and its people have often opened their arms to refugees seeking to come and settle here.

Overall for over 50 years, Canada has been a powerful force for global equity and solidarity improving human security, good governance, democratization and sustainability.

2. The Key Players

Since the 1950's, Canadian NGO's, most allied under the umbrella of the Canadian Council for International Cooperation (CCIC), have been involved in most countries in the global South. Over the last 25 years many other Canadian organizations (beyond international cooperation and development NGOs) such as local government, unions, civil society, business, community economic development and academic groups have also been active in diverse ways in the field of international solidarity and development.

In addition to the Canadian cooperative movement, which has been involved for over 60 years, numerous organizations of various sorts from regions and cities across Canada now have activities and partnerships at the international level. Links of cooperation and solidarity have developed in areas such as fair trade, community economic development, indigenous peoples, social finance (including micro-finance) and social enterprise (cooperatives or not-for-profits). Moreover, many Canadian organizations participate in development-oriented international networks or associations, such as the Association of Women in Development (AWID) or the World March of Women.

There are thousands of Canadian men and women working as cooperants in various countries. There are direct exchanges of knowledge and experience between organizations and networks here and in other countries, and the exchange of knowledge goes both ways. For example, Canadian credit unions have long expertise in supporting their counterparts in the global South, while community loan funds in Canada use tools developed in the South (such as loan circles). The same could be said for community kitchens that Canadians had seen in Peru. There are many similar stories. In addition to longstanding networks such as the International Cooperative Alliance (ICA) or the International Trade Union Confederation (ITUC), many international networks working towards a people-based economy have emerged. These include the *World Fair Trade Organization (WFTO)* and the *International Association of Investors in the Social Economy (INAISE)*, to name only two. Canadian organizations are also represented in these networks.

More globally, for close to 15 years now, all these sectors, in the developing and the developed countries, have been coming together at international conferences organized by the *Intercontinental Network of the Social Solidarity Economy (RIPESS)*. In recent years, as a result of various food, financial or climate-related shocks, this social solidarity economy approach, much like the people-centred economy concept, has been spreading on all continents.

Based on the idea of people taking charge of their own development, the social solidarity economy approach has been gaining credibility with governments (in Brazil, Mali, Morocco, Quebec and elsewhere) and with international organizations such as the International Labour Organization (ILO) and the Local Employment and Economic Development (LEED) programme of the Organisation for Economic Co-operation and Development (OECD).

3. Top Questions or Issues

In 2000, the UN General Assembly adopted the following objectives, called the Millennium Development Goals (MDGs):

- Goal 1: Eradicate extreme poverty and hunger
- Goal 2: Achieve universal primary education
- Goal 3: Promote gender equality and empower women
- Goal 4: Reduce child mortality
- Goal 5: Improve maternal health
- Goal 6: Combat HIV/AIDS, malaria and other diseases
- Goal 7: Ensure environmental sustainability
- Goal 8: Develop a Global Partnership for Development

Although the goals aim to reduce by half the proportion of people living in extreme poverty around the planet, decisions by governments and major institutions have not followed suit. Even if there has been progress on some of the goals, by the target date of 2015 the world will be far from achieving all the goals. An United Nations Development Programme (UNDP) analysis shows that there has been some progress in some goals, but on others, such as the amount of funding for official development assistance (ODA), there has been reduction. Even if the UNDP maintains that it is still possible to achieve MDGs¹, this seems like a very optimistic view considering the current state of politics at the global and national levels.

Global issues

Since 2000, various crises in connection with climate change, energy security (the growing gap between petroleum production and consumption), food production and even the financial system—which together have brought about a global downturn in the economy—have led to a worsening of overall conditions in many countries around the world, both "developed" and developing. One example is the worsening situation of food security and agricultural production. The World Trade Organization (WTO) aims to further liberalize trade rules for foodstuffs, which will largely benefit large multinational

¹ <http://www.undp.org/mdg/>

companies. However, it is a known fact that 70% of the world's poor are peasant farmers. If international agencies and donor countries are serious about eradicating poverty, they need to promote efforts to strengthen non-industrial agriculture, and not to liberalize trade for the sake of the multinationals. We are encouraged by recent announcements on helping small farmers in Africa; however more initiatives of this type are needed.

Agriculture is only one issue among many. Other concerns include water, energy, housing, education and health. Fundamentally, all these questions are linked, and most often affect each other. In cities and in villages, and at country levels, populations have to tackle all these issues simultaneously. This is why a people-centred economy approach, with a «holistic» vision is needed. The situation is often worsening in many countries since national and international policies favour trade above all and put the interests of donor countries first, without taking into account the needs of the people. We are not making progress, and even losing ground, in dealing with issues related to global warming, for example.

Another key question is the international financial system with speculation on currencies and on goods. More and more organizations are promoting taxation on financial transactions. In December 2009, the French government endorsed such an idea. The Leading group on Innovative Financing Development, an international group of 55 countries and international organisations, is promoting different mechanisms that would also generate funds that would supplement official development assistance. This proposal is on the agenda of G20 debates.

People-Centred Economy: Framework for a Global Future

In the last decade, around the planet, people and communities have continued on the path worked out over the last half century, seeking to take charge of their own development, their own future. Born out of necessity, often in underdeveloped or marginalized neighbourhoods and regions—whether in Canada, Africa or Asia—people continue to innovate and create their own development tools. These can take the form of collective enterprises such as co-operatives or social enterprises (not-for-profits), or even local, collectively-owned small and medium-sized businesses that, often with the help of local or regional authorities, can build or rebuild an economic and social fabric based on the needs of the local population for goods, services and jobs. In some cases, the focus is on protecting indigenous or traditional / informal economies that have sustained communities for generations; and are certainly the building block for their own future.

A people-centred economy is focused on the protection and development of communities and is an approach based on social inclusion and participation. A people-centred economy recognizes the importance of a gender-based approach which has already proven its success in most countries, including Canada. This approach is focused on social inclusion, leaving no one behind, whether it be minorities such as aboriginal peoples, refugees (both political and economic), and disadvantaged groups such as persons with disabilities, age, income or other barriers to participation.

It is an incontrovertible fact that sustainable development does not come from above. Government policies and programs can only support, facilitate and assist projects and activities developed *by the people themselves*. The failure of the top-down approach is well documented.

The Important Role of Civil Society

A vigorous, independent civil society plays a key role in the construction of a people-centred economy. Whether in Canada, Brazil, Nepal or Mali, the same holds true. A people-centred economy, based on a social solidarity economy and local and regional development, could not be built without the engagement of all the forces of civil society. Whether in Canada or elsewhere, strengthening the organizations of civil society is essential to building a responsible people-centred economy, not to mention a democratic system of governance. However, that is not a given in most societies, not even in all parts of Canada. Often, governments in both the developed and the developing countries see civil society as an add-on or sometimes a nuisance or “special interest group” — a demanding force that must be accommodated but is not integral to progress and development.

In the foundation of a people-centred economy approach, civil society participation involving multi-sectoral collaboration, partnerships and networking, from the local to the international, is an essential tool, because common analyses and strategies must be developed. Those involved need to support and learn from one another, and they need to be organized to carry out promotion, development, equitable/fair trade and advocacy activities. For the co-construction of public policies that support a people-centred economy approach, this is indispensable. Otherwise, when policies are developed exclusively by state structures or in international institutions, even by well-intentioned individuals, the policies cannot reflect or really provide what organizations and people on the ground need in order to take charge of their own destiny.

Our vision is one of internationalism and solidarity. We have only one planet, humanity is all one, and solidarity is crucial.

4. Propositions for a People-Centred Economy

A people-centred economy cannot be built in isolation, in one region or in one country. The world economy has become so globalized and interdependent that at any given time what is happening elsewhere has ripple or direct effects on most communities on the planet whether this is intended or not.

We therefore undertake, in our respective spheres:

RECOMMENDATION 1

That Canadian organizations work with other international networks to actively promote and build a global social solidarity economy.

RECOMMENDATION 2

To strongly advocate for Canada to meet its international commitments, in particular the Millennium Development Goals and dedicating 0.7% of GDP for official development assistance (ODA); set a timetable for reaching these commitments, all within the framework of the Development Assistance Accountability Act, Bill C-293).

RECOMMENDATION 3

That Canadian organizations advocate that CIDA's new priority on economic growth include strategies to promote a global social solidarity economy.

RECOMMENDATION 4

To support efforts for an international solidarity levy such as a tax on financial transactions.

RECOMMENDATION 5

To proactively promote and defend the importance of people taking charge of their own development, and of the essential role that civil society plays in supporting this approach

RECOMMENDATION 6

To raise awareness and engage members, within our respective organizations, and the general public, about issues of development and the value of building a People-centred economy that leaves no one behind, in Canada and around the world

RECOMMENDATION 7

To mobilize and advocate that all international trade be governed by rules of justice and fairness, providing for dignity and decent working conditions and wages and respect for the environment.

RECOMMENDATION 8

To promote knowledge exchange and strengthen the capacity of communities and civil society to co-construct and monitor public policies conducive to social and solidarity economies at the local, national and international levels

References

Millennium Development Goals (MDG)

<http://www.undp.org/mdg/>

Canadian Council for International Cooperation

<http://www.ccic.ca/>

Leading group on Innovative Financing Development

<http://www.leadinggroup.org>

Better Aid

<http://www.betteraid.org/>